

(see reverse)

: FmHA Instructions 451.9, 1944-A, 1951-A, 1951-B, 1951-E, 1951-G, 1951-M, 1951-N, 1951-O, 1951-S, 1956-B, 1956-C, 1962-A, 1965-A.

: FmHA employees authorized to accept collections.

: Original and one.

: FmHA employees authorized to accept collection.

: Offices using CBS, original to Finance Office; copy retained in County Office.
Offices not using CBS, original to wholesale lockbox; copy retained in County Office.

GENERAL INSTRUCTIONS

~~Form FmHA 451-2~~, Schedule of Remittances, is used by employees of the Farmers Home Administration (FmHA) who are authorized to accept collections to advise the Finance Office of the purpose and disposition of these collections. Collection data submitted to the Finance Office on Form FmHA 451-2 includes final payments, extra payments, and miscellaneous collections. Form FmHA 451-2 will NOT be used for submitting data for the following loan types:

- *Rural Rental Housing, Labor Housing, Rural Cooperative Housing, Rural Housing-Site Loans, and Site Option Loans.* Collections for these programs are reported on Form FmHA 1944-9, Multiple Family Housing Payment Transmittal. The associated payment information will be processed via the Automated Multi-Housing Accounting System (AMAS) online payment system.
- *Rural Housing (RH) Regular Payments.* RH payments should be submitted with the borrower's optical character recognition (OCR) coupons to the Retail Lockbox (RLB). If the borrower does not have OCR coupons for a payment, including initial payments on new loans [transaction code (TC) 1F], assumption agreements (TC 1M), and credit sales (TC 1G), the payments will be submitted to the RLB with Form FmHA 1951-26 or 1951-27, Substitute Payment Coupon For Single Family Housing Loans. DO NOT mail cash.
- *Farmer Program (FP) and Community Program (CP) Regular Payments.* Offices utilizing the Concentration Banking System (CBS) should deposit collections in the local Treasury Limited Account (TLA) and forward Form FmHA 370-46A, Direct Payment Coupon, to the Finance Office in the daily CBS payment envelope. Those offices using the Wholesale Lockbox (WLB) method should submit collections and EDPS coupons in the WLB payment envelope to the WLB along with the other payments included on the Field Office Remittance Reconciliation Report (FORRR). Form FmHA 451-2 may be used to transmit payment information when coupons are not available.

INSTRUCTIONS FOR PREPARATION

- Item 1 Enter the mail code of the office remitting the collection information.
- Item 2 Place an "X" in this box for normal collection(s) to be immediately applied to a computer-based borrower account. Complete for regular payments, extra payments, and final payments (other than single family housing recapture). DO NOT include miscellaneous collections described in Exhibit A, Miscellaneous Collections, with normal collections.
- Item 3 A separate schedule will be prepared for each of the types of miscellaneous collections listed in Exhibit A. Insert the applicable number in the miscellaneous collection box.
- Item 4 Assign a schedule number for each Form FmHA 451-2 starting with 001 and continue in sequence through 990, then restart with 001. DO NOT skip a number in the sequence. Schedule numbers 991 through 999 are reserved for Finance Office use. When using two or more pages for a day's business, items 13-18 will be completed on the last page only. Identify each schedule with the page number and total number of pages; i.e., 1 of 3, 2 of 3, 3 of 3 on the lower right corner of the schedule.
- Item 5 DO NOT USE.
- Item 6 DO NOT USE.
- Item 7 For normal collections (item 2), enter the borrower's last name, first name, and middle initial exactly as it appears on the official records. For example: Smith, John S. When a collection applicable to more than one loan for the same borrower is remitted, ditto marks may be used to show that the item above it is to be repeated.

For miscellaneous collections (item 3), reference Exhibit A to determine specific requirements.

MISCELLANEOUS COLLECTIONS

1. Initial loan payment on credit sale enroute for processing, (Subsequent collections will be "normal collections").
2. Credit report fee--A separate line item should be prepared for each credit report fee paid. Each individual's social security number should be entered in item 8 for each credit report ordered. Do not combine multiple credit report fees into one line item, even if paid by one person or related to one loan application.
3. Downpayment by transferee (Assumption Agreement). Enter the transferee's name and case number in items 7 and 8. The following statement should be inserted immediately below the borrower's name (transferee) and case number:

"1M transaction with an effective date of _____.

Transferor Name _____ Case No. _____ Fund Code _____ Loan No. _____"

4. Fee for conditional commitment application--Show name of applicant in item 7.
5. Judgement account.
6. Adjustment offer--compromise offer. Identify adjustment offer or compromise offer below name (item 7).
7. Foreclosure sale--bankruptcy sale.
8. Credit for account previously charged off.
9. Refund of collections made payable to FmHA which FmHA is not entitled. Use only when the associated collection is being submitted.

Refund of collections **previously submitted** must be requested in writing (not by a schedule of remittances). Include in the written request the borrower's/lessee's name, case number, fund code, loan number, amount of payment applied to account, date of credit, form of remittance (schedule or coupon), refund amount, reason for refund, and name refund is to be made payable. The request should be signed and dated by the borrower/lessee and the District/County Supervisor. Submit the request to: Finance Office, ATTN: Accounts Settlement Unit, Mail Code FC-340C3.

10. *Miscellaneous income to be applied to inventory account.
 11. *Downpayment on purchase of inventory property (credit sale).
 12. *Cash sale of acquired property.
 13. *Chattel sales--acquired property.
 14. *Mineral interest on Government owned property.
- * For miscellaneous collection codes 10 through 14, identify collection with former owner's name (item 7) and **property ID number** --two digit state code, three digit county code, and five digit advise number (item 8). Leave fund code and loan number (item 9) blank.
15. Rent and lease of Government owned real estate. Identify collection with **former owner's name** (item 7), **property ID number** (item 8), and lessee's fund code and lease number (item 9). Below former owner's name and Property ID number, show **lessee's name and lessee's case number**.

16. Equity receivable (Net Recovery Buyout, Shared Appreciation Agreement, and Single Family Housing Equity Recapture). This code will be used for all equity recapture receivable collections. **If payment is for an equity recapture partial sale, enter Q-Equity Receivable in column 1 and partial sale number in columns 3 and 4 of the loan coding section (item 11).** The following statements are to be completed and inserted immediately below the name and case number (use items 7 and 8 only).

Amount of Original Equity Recapture Established \$ _____.

Less: Amount of Equity Recapture Collected to Date \$ _____.

Equals: Remaining Equity Recapture to be collected \$ _____.

17. Return of unused grant funds.

18. Finance Office use only.

19. Subordination agreement fee.

20. Sale of abstract.

21. Other. An explanation of the collection should be identified (use items 7 and 8 only).

22. Final payment—subject to recapture. This is a final payment and the interest credit is subject to recapture. However, after completing the recapture formula, **no recapture is due**. The following statements are to be completed and inserted immediately below the name and case number (use items 7 and 8 only).

Principal Reduction Attributed to Subsidy Granted \$ _____.

Interest Credit Subsidy Granted \$ _____.

23. Final payment—subject to recapture. This is a final payment and the interest credit is subject to recapture. The borrower **must remain** in the property and elect **not** to pay the full recapture amount at loan settlement for recapture to be deferred. A interest credit recapture receivable account will be established for the total amount of principal attributed to subsidy and interest credit subsidy to be recaptured. Any partial recapture payments collected at loan settlement and all future payments will be entered as miscellaneous collection code 26. The following statements are to be completed and inserted immediately below the name and case number (use items 7 and 8 only).

Principal Reduction Attributed to Subsidy Granted \$ _____.

Interest Credit Subsidy Granted \$ _____.

The Total Amount of Subsidy to be Established as Interest Credit Recapture
Receivable \$ _____.

24. Recapture payment—assumption agreement involved. This is the total recapture payment. It must be processed before the assumption agreement can be processed. Enter "Z" (recapture) in column 1 of the loan coding section. This payment includes both principal reduction attributed to subsidy and interest subsidy collected. Principal reduction attributed to subsidy should not be included in payments coded "R" (regular) or "G" (extra) when submitted to pay unpaid interest and principal on the account. The following statements are to be completed and inserted immediately below the borrower's name and case number (use items 7 and 8 only).

Principal Reduction Attributed to subsidy Granted \$ _____.

Interest Credit Subsidy Granted \$ _____.

Any payment collected from the transferor to bring the account current on the date of the transfer should be submitted on a separate schedule as normal collection coded "R" (regular) in column 1 of the loan coding section. The schedule number and date of credit of this payment should be inserted on the schedule immediately below the subsidy granted statements for which the recapture payment is submitted.

- Item 8 For normal collections (item 2), enter the borrower's case number. **For acquired property and lease related remittances, enter the property ID number and/or lessee's case number. Refer to Exhibit A for specific instructions for miscellaneous collections.** When a collection applicable to more than one loan or property for the same borrower is remitted, ditto marks may be used to show that the item above is to be repeated.

For rent payments received from property that FmHA rents out for a borrower's account on which there is foreclosure action pending (F.A.P.), enter "F.A.P.-Rent Payment" on the line below the name. Enter "G" (extra) in column 1 of the loan coding section.

- Item 9 For normal collections (item 2), enter the fund code and the loan number.

For miscellaneous collections (item 3), complete the fund code and loan number EXCEPT for miscellaneous collection codes 2, 4, 10-14, 19, 20, 27, 29, 37, and 38 (leave blank). For miscellaneous collection code 15, complete fund code and lease number.

- Item 10 Enter the amount of the collection. If the collection is applicable to more than one loan for a borrower, list each "Loan Code" and amount applicable on separate lines.

If more than one remittance (check, money order, etc.) is being submitted for application to the *SAME* loan, the separate remittance amounts will be summarized by type of payment (regular, extra, refund, equity receivable, or recapture) and shown as one amount for each type submitted.

On extra payments or refunds for principal plus interest bonds, the amount of the collection applicable to each future installment being redeemed should be entered on separate lines.

If interest on the redeemed bonds is collected, it should be entered on a separate line and coded as a regular payment.

- Item 11 Loan Coding—Types of payment: R-Regular, G-Extra, U-Refund (return of unused funds), **Q-Equity Receivable**, Z-Recapture.

Column 1 Complete for all normal collections (item 2).

Column 2 Will be completed when a loan is being fully paid, enter an "X."

Column 3 Will be completed with the first digit of an equity recapture partial sale number.

Column 4 Will be completed when there is an "X" in column 2. Enter final payment code: R-Refinance, S-Sale of Property, I-Income, O-Other. Will also be completed with the second digit of an equity recapture partial sale number.

For miscellaneous collections (item 3) complete column 1 in accordance with following table:

Miscellaneous Collection Code	Loan Coding/Column 1
1 3 6 8 32 35	R
2 4 10 11 12 13 14 15 19 20 27 29 36 37 38 39	Not Applicable
5 7 21 28 30	R, G, or U
9 17 31 33	U
16	Q
22 23	R or G
24 25 26	Z

On operating type credit loans made prior to 1-1-72, which are not being fully paid, these columns may be used to show installment dates (see section 1951.58(c)(6), FmHA Instruction 1951-B).

For payments on equity recapture receivable accounts, enter Q-Equity Receivable in column 1 (columns 2, 3, and 4 will be left blank). For payments on equity recapture partial sales, enter Q in column 1, the first position of the partial sale number in column 3, and the second position of the partial sale number in column 4. For example, a partial sale number of 03 will be shown: Q103

For payments on principal plus interest bonds (fund codes 50 through 97 except, 83 and 84) coded extra or refund, indicate the installment date (month and year only) applicable to the bonds being redeemed in the second through fourth columns. For example, an installment date of October 1979 will be shown: 1079

On serial bond issues, indicate the bond/or coupon numbers being redeemed by the payment. For example, bond number 637 will be shown: 0637

- Item 12 DO NOT USE.
- Item 13 Enter the total of collections listed on each line in item 10.
- Item 14 Complete if money orders or bank drafts are purchased for cash collections which are to be forwarded to the WLB. Enter the total amount of fees. Money order fees are not allowed for cash collections received in offices using the Concentration Banking System/Treasury Limited Account. This expense will be paid by the borrower.
- Item 15 The amount shown in Gross Collections (item 13) minus money order fees (item 14). This amount must balance to the Daily Activity Report and the deposit ticket for CBS collections or the FORRR for WLB collections.
- Item 16 Show the date the schedule is mailed to the wholesale lockbox. For offices on the CBS, show the date the schedule is mailed to Finance Office.
- Item 17 Signature of FmHA employee authorized to accept collections.
- Item 18 Enter the date the collection was received in the collecting office. A separate schedule must be prepared for each date of credit.

25. Final and subsidy recapture payment—This is a final payment and the total subsidy recapture payment. Enter the amount of unpaid interest and principal on one line and the recapture payment on the next line (**do not use ditto marks**). Enter "Z" (recapture) in column 1 of the loan coding section. This payment includes both principal reduction attributed to subsidy and interest credit subsidy collected. Principal reduction attributed to subsidy should not be included in payments coded "R" or "G" when submitted to pay unpaid interest and principal on the account. The following statements are to be completed and inserted immediately below the borrower's name and case number (use items 7 and 8 only).

Principal Reduction Attributed to Subsidy Granted \$ _____.

Interest Credit Subsidy Granted \$ _____.

26. Interest credit recapture receivable account payment—This is a payment on a borrower's interest credit recapture receivable account established by miscellaneous collection code 23. Enter "Z" in column 1 of the loan coding section. The following statements are to be completed and inserted immediately below the borrower's name and case number (use items 7 and 8 only).

Amount of Original Interest Credit Recapture Receivable Established \$ _____.

Less: Amount of Subsidy Collected to Date \$ _____.

(Includes payment on this schedule.)

Equals: Remaining Subsidy to be Collected \$ _____.

27. Security deposit for leased property. Identify collection with former owner's name (item 7) and **property ID number** (item 8). Leave fund code and loan number (item 9) blank. Below former owner's name and **property ID number**, show lessee's name (item 7) and lessee's case number (item 8).
28. Repayment of unauthorized loan funds—to be applied according to provisions of FmHA Instructions 1951-M, 1951-N, or 1951-O.
29. Repayment of unauthorized grant fund—to be applied according to provisions of FmHA Instructions 1951-M, 1951-N, or 1951-O.
30. Guarantee loan fees. Note: The loan information shown to Form FmHA 1980-19, Guaranteed Loan Closing Report will be processed via the Automated Discrepancy Processing System (ADPS) by the field offices using Transaction Code GA/4030, Guaranteed Loan Closing Report. Retain Form FmHA 1980-19 at the appropriate field office.
31. Repayment of appraisal fee on guaranteed farmer program loan.
32. Payment on repurchased guaranteed loan. Note: Mail Form FmHA 1980-43, Lender's Guaranteed Loan Payment to FmHA, Directly to the Finance Office Private Sector Liaison Section, Mail Code FC-340E.
33. Subsequent recovery of final loss or final loss refund on guaranteed loan. Note: Form FmHA 49-30, Loan Note Guarantee Report of Loss, will be mailed directly to the Finance Office, Private Sector Liaison Section, Mail Code FC-340E.
34. For Finance Office use only to reverse a report of estimated loss or final for guaranteed loans.
35. Other guaranteed loan remittances.
36. Nonrefundable appraisal fees for nonprogram community and business loans.
37. Nonrefundable transfer/application fees for nonprogram loans.
38. Tax service fee.
39. Appraisal fees for rural housing loans—A separate line item should be prepared for each appraisal fee with the individual's social security number entered in item 8.